



## UNION COUNTY LEGAL DEPARTMENT

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### MEMORANDUM

### AGENDA ITEM

# 511

MEETING DATE 6-5-06

TO: The Union County Board of Commissioners

FROM: Jeffrey Crook, Senior Staff Attorney

RE: Duke Energy Relicensing Proceedings

DATE: May 25, 2006

As you know, Union County is joint owner with the Lancaster County Water and Sewer District (LCWSD) of the Catawba River Water Treatment Plant. For the past three years, Mike Bailes, superintendent of that plant, has represented the interests of both Union County and LCWSD in connection with Duke Energy's relicensing proceedings and in related negotiations of a pending agreement between Duke Energy and the more than 100 interested stakeholders. Mr. Bailes was asked to perform this function by Union County Public Works and LCWSD, and based on my experience with Mr. Bailes, I believe that he has done an excellent job. I would note that Mr. Bailes is one of only 12 members on Duke's Conversion Committee, the group charged with translating the nonbinding Agreement in Principle (which the Board of Commissioners approved) into the Final Agreement. I believe that Mr. Bailes' participation on this committee has been extremely helpful in obtaining modifications to the Final Agreement that favor Union County and LCWSD.

The purpose of this memo is to request the Board's ratification and authorization of Mr. Bailes ongoing efforts on behalf of Union County in connection with this matter. It is my understanding that similar action has been or will be taken by the governing board of LCWSD. Our joint venture agreement with LCWSD does not directly address this point, and it is believed that action by the respective boards will resolve any ambiguity that may exist as to Mr. Bailes authority. Of course, Mr. Bailes has no authority to bind either Union County or LCWSD as to the Final Agreement. Approval of the Final Agreement will require action by the Board of Commissioners.

Approval of this item on the Consent Agenda will constitute ratification and authorization by the Board, as stated above. Please let me know if you have any questions or comments.

cc: Mike Shalati, County Manager  
Christie Putnam, Interim Public Works Director